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GOVERNING COUNCIL

Thirty-eighth session

SUMMARY RECORD OF THE 34th MEETING

Held at Headquarters, New York,
on Monday, 17 June 1991, at 6 p.m.

President: Mr. PIRIZ-BALLON (Uruguay)

CONTENTS

Other funds and programmes (continued)

United Nations Capital Development Fund (continued)

United Nations Revolving Fund for Natural Resources Exploration and United Nations Fund for Science and Technology for Development

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The meeting was called to order at 6.15 p.m.

OTHER FUNDS AND PROGRAMMES (continued):

UNITED NATIONS CAPITAL DEVELOPMENT FUND (continued) (DP/1991/43)

1. Mr. LIU Lanke (China) said that his delegation had carefully read the report on the United Nations Capital Development Fund (DP/1991/43). It noted that, over the past two years, UNCDF had received funds in various forms, resulting in a regular increase in pledges. It should therefore be possible to expand the assistance programme, and his country wished to thank UNCDF for its efforts in that direction.

2. UNCDF assistance currently focused on the least developed countries (LDCs), with a view to helping them obtain loans and expand their production capacity in such a way as to increase their income. That procedure was consistent with those countries' essential requirements and should help to reduce their current level of poverty. His Government attached great importance to the LDC issue and to the activities of UNCDF in that field but noted that the Fund's capacities remained limited. His country contributed to the Fund so far as it was able and supported its work. It was also exploring the possibility of expanding its programme of assistance in order to facilitate the development of LDCs by the application of appropriate technologies.

3. His country would continue to support the Fund's assistance activities and hoped that UNCDF would continue to strengthen its cooperation with all the agencies responsible for development and the struggle against poverty.

4. Mr. TANTOT (France) said that his country, which had always provided specific financial support to UNCDF, had demonstrated its interest in the Fund's activities by assigning young administrators both to Headquarters in New York and to the field. It appreciated the Fund's concrete and directly operational role and endorsed the priority which it accorded to the LDCs. In the opinion of his delegation, to increase the resources of UNCDF would be to strip it of its identity. UNCDF was a funding tool; it provided grants but was also beginning to award low-interest loans. Its approach to risk was essentially a financial and micro-economic one, even if its decision incorporated other data relating to the development trends of the recipient countries. To reduce UNCDF to the purely accessory function of dispensing funds for projects designed by other bodies, themselves driven by concerns of a macroeconomic or sectoral nature, would therefore be a step in the wrong direction.

5. The current results of the Fund were very impressive. It was clear that the financial function of UNCDF could be further emphasized. Activities could be diversified in order to encourage, for example, the commitment of risk capital and the establishment of guarantee arrangements, particularly in countries opting to develop the private sector of their economies. However,

(Mr. Tantot, France)

such developments were possible only in the framework of a specifically designed and responsible structure.

6. UNCDF was an ideal channel for multi-bilateral cooperation activities between UNDP and the Caisse Centrale de Coopération Economique. His country had wide experience in that field in the context, for example, of the decentralized development loans provided by its Ministry of Cooperation. The establishment of harmonization and reciprocal support between those mechanisms and those of UNCDF would be of great benefit.

7. His country believed that any tampering with UNCDF would be harmful and counter-productive. Nor did it favour the Fund's integration into the Bureau for Programmes and Policy. UNCDF must maintain its independent capacity for analysis and freedom to evaluate project risks. It was therefore essential that UNCDF report directly to the Administrator and be guided by his decisions in the event of any need to arbitrate differences of opinion between the different UNDP units involved in its field of competence.

8. Mr. WHANNOU (Observer for Benin) emphasized the importance of the activities of UNCDF as the only institution in the system which, by its provision of aid in the form of capital, allowed the developing countries themselves, including the LDCs, to carry out small-scale infrastructure projects and extended credit for agricultural production and small enterprise development.

9. His country appreciated the Fund's effectiveness in executing projects in areas such as village water supply, rural transport routes and others in the agricultural production and integrated rural development sectors. Such cooperation showed that UNCDF action was directed towards the most disadvantaged social groups. It was for that reason that his country supported the Fund's activities, which were entirely consistent with the recommendations contained, inter alia, in the Programme of Action for the Least Developed Countries for the 1990s.

10. The list of countries receiving UNCDF assistance had expanded steadily since it was established as a result, among other things, of the expansion of the LDC category. The Fund should therefore have at its disposal sufficient resources to strengthen the impact of country programmes on the reduction of poverty, in accordance with the priorities accorded by UNDP to human development in the fifth programming cycle.

11. His country supported the proposals in the report of the Administrator, including that relating to a 20 per cent annual increase in UNCDF resources, bearing in mind the key features of UNCDF operations, i.e. coordination, Government execution and grass-roots participation, the objective being to build up national management and administrative capacities.

(Mr. Whannou, Observer, Benin)

12. His country looked forward to understanding on the part of the major donor countries and hoped that others would join with them, given the importance of the Fund, which, in the opinion of his delegation, should maintain its independence.

13. Mr. VAN UFFORD (Netherlands) said that the improvement of social and economic conditions for accelerated growth and development in the LDCs, which was the principal objective of UNCDF, constituted one of the priorities of his country's development policy. It was for that reason that it had supported the Fund, and would continue to do so, and was also pleased by the Fund's emphasis on national execution and grass-roots participation.

14. While welcoming the increase in contributions to the Fund during the last decade, his delegation nevertheless noted that the increase was insufficient to compensate for the deficit of the 1980s. It therefore emphasized the importance of the recommendation in the Programme of Action for the Least Developed Countries for the 1990s whereby donor countries should consider a 20 per cent annual increase in overall funding of UNCDF during the current decade.

15. His delegation would also like some explanation of the statement, in the section of document DP/1991/43 concerning evaluation activities, to the effect that, judging by the results of 27 in-depth evaluation missions, most of the projects achieved their immediate objectives and responded directly to the needs of low-income groups. That conclusion seemed surprising, given the weaknesses identified during the evaluations. If UNCDF could obtain such results in spite of the lack of pre-project data and studies, difficulties in the logistics of procurement and construction, shortcomings in project management, unrealistic schedules and inadequate consideration of operation and maintenance costs in order to ensure long-term viability, the future really did look promising. His delegation would like to know the views of the Executive Secretary in that regard.

16. Mrs. LONGINOTTI (Italy) said that her Government had been contributing to UNCDF for many years and had already pledged a contribution for 1991, because it continued to believe that the Fund was able to meet needs that would not otherwise be adequately met. In that regard, her delegation believed that the Fund should maintain and even enhance its specific role, which was to channel aid to the least developed countries, bringing direct benefits to low-income and other vulnerable groups.

17. Her delegation supported the principle enunciated in paragraph 18 of document DP/1991/43 on environmental issues, to the effect that making people responsible for their ecosystem must be linked to their economic self-interest.

18. However, there were insufficient financial data in the report. More detailed information was required, particularly if the target of a 20 per cent annual increase in the Fund's resources was to be reached.

(Mrs. Longinotti, Italy)

19. Her delegation would also like more information on the criteria applied by UNCDF with respect to the granting of loans on concessionary terms and loan reimbursement, and on how UNCDF coordinated its activities with those of other lending institutions. Lastly, her delegation wished to stress that UNCDF projects must continue to be closely associated with UNDP country programmes.

20. Mr. MISSARY (Observer for Yemen) said that a 20 per cent annual increase in contributions to UNCDF was even more essential following the Gulf crisis. The Fund should play an even greater role than it had in the past, and increased resources would enable it fully to discharge its mandate and continue to implement projects, particularly in Yemen.

21. The Fund was implementing major infrastructure projects in his country to which the Netherlands was contributing, and he thanked that country for its financial support. He also thanked the Fund for its social services projects and for its relief activities following the earthquake in his country. Agricultural aid from the Fund continued to be particularly necessary for low-income population groups.

22. His country was pleased that the Fund planned to organize another mission to give a new impetus to projects in the region, where its involvement was particularly necessary following the Gulf crisis.

23. Mr. RODRIGUE (Observer for Haiti) again reiterated the prime importance of UNCDF for the least developed countries, as the supplier of capital for the implementation of small projects for and by the population.

24. His delegation wished to express its gratitude for the assistance which the Fund had provided to his country, particularly in such key areas as agriculture and health, for that support had made it possible to remedy severe problems faced by the impoverished Haitian population. The Fund had also assisted the informal sector which comprised a very high proportion of the marginal population groups of his country's large cities.

25. His delegation therefore endorsed the appeal by the Administrator of UNDP for increased resources for the Fund, which would enable it to carry out its mission at a time when an increasing number of countries were requesting its support.

26. Lastly, he recalled General Assembly resolution 45/257 calling for assistance to Haiti to help it consolidate its budding democracy, and appealed to UNCDF to provide his country with the assistance it needed.

27. Mr. HELMKE (Executive Secretary of the United Nations Capital Development Fund) noted with satisfaction, in the light of the observations made and questions posed, that delegations had given thorough consideration to the document submitted to them.

(Mr. Helmke)

28. Several delegations had expressed the view that the report of the Administrator on the United Nations Capital Development Fund had not been thorough enough. The report for the current year was shorter than in previous years only in order to comply with the rule on the limitation of documentation. Some delegations had been given answers in informal notes, but it had not been possible to reply to all questions. In particular, he noted the request of the four Nordic countries for more detailed information in the report on evaluation activities. Their request would be borne in mind in subsequent reports.

29. A number of options could be envisaged in that regard: either an official report could be submitted every two years and an unofficial report could be presented at the end of the first year, or shorter reports could be issued at the end of each calendar year, as was the practice at most financial institutions. The matter would be considered and a decision would be taken in that regard.

30. In reply to the remarks by the representative of the Netherlands, he pointed out that many project reports described the difficult circumstances in which operational staff and evaluation staff had to work in often distant regions. The disparity noted by the Netherlands representative between the logistical and other obstacles, and the high achievement rate also could be explained by the fact that during the project design stage, the Fund sought to be as realistic as possible in establishing project specifications.

31. As to the sharing of experience on project evaluation, UNCDF staff often participated in international meetings of donors or NGOs and disseminated the results of its thematic evaluations as widely as possible in both the public and the private sectors. Moreover, a UNCDF secretariat committee responsible for reviewing evaluations ensured that the information gained from experience was taken duly into account in the elaboration of new projects.

32. In reply to a question from the United States representative, he said that the average project cost in 1990 had been $2.5 million, compared with $1.9 million in 1989. Since 1990, four world projects had been approved, and the total value of each was in excess of $4 million.

33. Many delegations had inquired about the status of the Fund's finances. That was a very important point, particularly for a fund whose mandate was to provide assistance. The following measures had been taken or were envisaged in that connection.

34. Firstly, UNCDF had adopted a revised partial funding formula which made possible levels of approvals above contributions already received, on the theory that by the time project expenditures had to be allocated, the additional funds already paid would suffice to cover those expenditures. That formula had allowed a higher level of activities and had reduced accumulated

resources. That system naturally required the establishment of an operational reserve, approved by the Governing Council, representing a certain percentage of unallocated commitments.

35. Secondly, 80 per cent of the projects required funds under technical cooperation. In principle, the financial aid provided by UNCDF should be accompanied by technical assistance from UNDP. Nevertheless, sometimes funds allocated to UNCDF projects were approved even though the IPFs for technical cooperation were not yet available. It should be possible to solve that problem at the programme stage.

36. Other difficulties had arisen in executing UNCDF projects, including, logistical difficulties and the economic and social problems that some recipient countries had encountered. Those difficulties had been considered by officials from UNCDF and the Office for Project Services and it was hoped that they could be ironed out.

37. The representative of Haiti had mentioned the need for an investment programme to revive economic activity. The assistance to be provided in order to launch development projects was part of the experience acquired by UNCDF. The Fund would give careful consideration to official requests submitted to it.

38. It was, moreover, likely that at its next session, the General Assembly would grant further States LDC status, and that would surely have an impact on the financial status of UNCDF, particularly with regard to its funds.

39. Several comments should be made about the financial status. First of all, the amount of outstanding commitments had doubled between 1986 and 1990, which meant that it was necessary to provide for a signficant increase in expenditures.

40. The situation with regard to funds was the following: at the end of 1990 UNCDF had $99 million in liquid assets with an operational reserve of $53 million, or approximately $150 million in liquid assets which could be available on relatively short notice. Those amounts should be compared with the amount of outstanding commitments, $250 million, which corresponded approximately to income for two years. Those figures demonstrated the extraordinarily dynamic rate of project execution. The total amount of assistance projects approved since the establishment of the Fund, over a period of 25 years, had risen to approximately $500 million. The current amount in the Fund's financial statement was $250 million, according to relatively recent data. Those figures should be compared with the estimated expenditures for 1991, which amounted to $55 million.

41. Questions had been raised with regard to the UNCDF loan system. The Fund's secretariat intended to bring up that question before the Governing Council at its next session. To date, few loans had been granted because of

(Mr. Helmke)

the application of the criteria that had been established on a provisional basis, and the system had begun to operate only three years earlier. At the current time, loans amounting to $8 million had been approved and loans for $5 million to $6 million were under consideration.

42. The basic criteria for granting loans to least developed countries were necessarily linked to the economic situation and, in particular, the indebtedness of the country concerned. Account was also taken of the extent to which the planned project could obtain foreign currency for the country or at least help it to save its foreign currency.

43. The repayment modalities, about which the representative of the United States had asked questions, were the following: the loans were generally interest-free with a grace period of three years and payable over a period of seven years in hard currency just as they were granted in hard currency.

44. Another question, which was of increasing importance, related to assistance which UNCDF might give to Governments in the form of subsidies to enable them to set up funds for providing loans to people in remote areas. Those loans would constitute assets which the population could put to good use in order to participate actively in the development process. To achieve that objective, operations should be carried out under commercial conditions or at least ones similar to market conditions. Those loans could make an effective contribution to economic recovery.

45. UNCDF was endeavouring to lay down procedures and set up instruments which would make it possible to carry out such activities. The Fund, in particular, should strengthen the economic and financial analysis of each project and continue its evaluation efforts in new areas and in accordance with new modalities. In that regard, three internal studies had been either carried out or planned: one on the programming of activities, a second on project conception ensuring that the specific characteristics of the financial assistance required were duly taken into account, and a third study on the project execution system.

46. The Fund was convinced of the need, which had been stressed by the representative of France, to establish more regular and more intensive relations with the recipient countries and was expanding its contacts with the agencies that provided financial assistance to the least developed countries, not only within the framework of co-financing agreements, but also through the exchange of information and even expertise and personnel resources with those agencies.

47. One of the Fund's basic priorities was to encourage, in the productive sectors, income-generating activities that might promote sustained growth and development. To that end, the Fund should develop not only its own management capacities, but also those of the population, which should be involved in the local management and follow-up of activities. The Fund therefore had a role to play in developing national capacities in the field of management.

(Mr. Helmke)

48. In reply to the comment by the representative of Italy concerning environmental management, he said tht the Fund would continue to encourage participation at all levels, both for project identification and execution as well as project follow-up. UNCDF, furthermore, would continue to work at the local level with women's groups, particularly in the non-structured sector. Several delegations had asked questions about the creation of income and jobs. Although it was difficult to obtain and use statistics in that area, the Fund was interested in those questions and would provide information, in its subsequent reports, on activities to be carried out in that field.

49. Lastly, a number of delegations had referred to the discussion which had taken place on the structure of UNDP at the highest levels and changes that might result in the organization of the Fund. The information which those delegations had provided would be transmitted to UNDP and the matter would be given due consideration.

50. The PRESIDENT said that the Council had concluded the general debate on that agenda item and suggested that the Drafting Group should draw up the relevant draft decision.

UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION (UNRFNRE) AND UNITED NATIONS FUND FOR SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (UNFSTD) (DP/NRE/PROJECTS/REC/13 and DP/NRE/PROJECTS/REC/14)

51. Mrs. ESGUERRA (Philippines) said that the activities carried out by the United Nations Revolving Fund for Natural Resources Exploration in the Philippines had greatly assisted efforts to increase that country's capacity in the production of chromite, which in turn would enable it to promote and diversify economic development activities in remote areas. Her country was proud to have been the first to contribute to the reconstitution of the Fund's resources and was prepared to continue in that effort in order to enable other countries to benefit from it as well. Unlike other technical cooperation projects, the Fund required shared financial responsibility. Thus, countries were invited to contribute to the reconstitution of the Fund's resources.

52. Mr. ESPADA-PLATET (United States of America) noted with satisfaction that the Administrator had implemented the proposal put forward at the thirty-seventh session of the Council whereby the two Funds were to be managed by one office, while retaining their separate identities and their own mandates and modi operandi. That approach shall however be reviewed in 1993, as there was a need to determine whether the reduction of administrative costs was great enough to justify the existence of two separate funds. His delegation was glad to see that the United Nations Fund for Science and Technology for Development was now concentrating on a few priority areas. It also welcomed the close and mutually beneficial collaboration between the Fund's administration and the Centre for Science and Technology for Development. There was a need, too, for greater coordination among the various constituent parts of the United Nations system so as to avoid

(Mr. Espada-Platet, United States)

duplication. It was to be hoped that one day they would all be so well coordinated as to form one rationalized and efficient organization.

53. His delegation was pleased to learn that the United Nations Revolving Fund for Natural Resources Exploration had received a first replenishment from the Philippines for the reconstitution of its resources and was expecting another from Ecuador. At this stage, it would be premature to suppose that the viability of the Fund was established, and no final decision should yet be taken as to the continuance of the Fund as presently constituted.

54. Mr. LIU Lianke (China) said that the United Nations Revolving Fund for Natural Resources Exploration played an important role in helping developing countries make use of their natural resources. He was glad to see that the Fund's operational activities were growing rapidly, and that its technical assistance was benefiting more and more developing countries.

55. The Chinese Government had always attached great importance to the Fund's assistance activities, and had in fact participated in them. It had signed an agreement in November of 1988 on the first phase of the cooperative exploration of certain deposits. By December 1990, the two parties had completed the first-phase activities, and the second phase was under way. The Chinese Government was satisfied with the cooperation that had grown up between the two parties.

56. The United Nations Fund for Science and Technology for Development had helped developing countries carry out their technical cooperation plans and become more independent in scientific and technological development. It had contributed to the promotion of South-South cooperation and to North-South cooperative exchanges.

57. The Chinese Government was aware that scientific and technological progress was closely linked to social development. It had carried out cooperative technological and scientific activities in collaboration with certain United Nations institutions, for instance the Fund for Science and Technology for Development, which had played an important role in scientific and technological progress in China. Over the last few years, joint financing had enabled the Fund, in cooperation with China, to install high-tech nurseries. It had also played an important role in the development and implementation of leading-edge technologies in China.

58. The Chinese Government was concerned with the state of the two Funds' resources as reported by the Administrator. It would continue to support their activities and would do its best to contribute to their technical cooperation activities, while hoping that the developed countries would contribute to them financially.

59. Mr. AFANASIEV (Soviet Union) welcomed the agreement between the Ministry of Geology of the Soviet Union and the United Nations Revolving Fund for Natural Resources Exploration on cooperation in the field of geological exploration and the prospection of natural resources in certain developing countries, notably the United Republic of Tanzania. In 1990, the USSR Geology Committee had approached the Fund with a view to carrying out new projects, which was also an important step for the future. His delegation hoped that the cooperation thus initiated with United Nations agencies would continue to develop and would contribute greatly to the socio-economic development of the developing countries.

60. The Soviet delegation agreed with the conclusions of the United States regarding the need to strengthen cooperation among the various agencies of the United Nations and the Fund so as to avoid any wastage of resources.

61. Mr. TOMITA (Director, United Nations Revolving Fund for Natural Resources Exploration), responding to the statements of the Philippines, the United States and the USSR, welcomed the desire of the Philippine Government to contribute to the replenishment of the Fund's resources, but agreed with the United States representative that one example could not prove the viability of the Fund. Still, the Fund's performance had in that case been viewed favourably, even if certain countries had been sceptical. In that regard, it was difficult to reply to the criticisms as there were no other concrete examples to be cited. However, in its one and a half decades of activity, the Fund had carried through eight projects leading to the discovery of deposits worth approximately $1.5 billion. A 2 per cent levy on that amount to build up the Fund's resources would cover its expenditures for 10 years.

62. If developing countries made sufficient progress with respect to investment sufficient resources would certainly be available to the Fund for it to finance its activities from reimbursements. With respect to the single management team, he fully agreed that the system should be reviewed within two years.

63. With respect to the remarks of the representative of China, that country had been cooperating fully with the Fund, to which it was one of the principal contributors. He invited donor Governments to increase their support, for if they did not the Fund would not be able to maintain its activities. He recalled that the industrialized countries' contributions had been earmarked for basic resources, even though France, Japan, Germany and Italy had made grants for certain specific projects. Those had, however, been co-financing arrangements or trust funds. The Fund needed more basic resources.

64. With respect to the observations of the Soviet representative on strengthening cooperation within the United Nations system, he recalled that the current project approval process provided for a joint World Bank/United Nations/UNDP team to review projects so as to avoid any duplication or waste,

(Mr. Tomita)

and that that mechanism was still fully effective. He welcomed the cooperation between the Fund and the Ministry of Geology of the USSR, which had just signed the agreement regarding the United Republic of Tanzania and would each be responsible for 50 per cent of the financing of the project.

65. The PRESIDENT declared the general debate on the item under discussion closed, and proposed that the Drafting Group should draw up the pertinent draft decision.

66. It was so decided.

The meeting rose at 7.35 p.m.

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SUMMARY RECORD OF THE 35th MEETING

Held at Headquarters, New York,
on Tuesday, 18 June 1991, at 10 a.m.

President:	Mr. PIRIZ-BALLON	(Uruguay)
later:	Mr. JASINSKI (Vice-President)	(Poland)

CONTENTS

Matters relating to the work of the Council in 1992

Other matters

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The meeting was called to order at 10.20 a.m.

MATTERS RELATING TO THE WORK OF THE COUNCIL IN 1992 (DP/1991/58)

1. Mr. KIRDAR (Secretary of the Council), introducing document DP/1991/58 on the biennialization or triennialization of subjects on the agenda of the Governing Council, reviewed the relevant decisions on the working methods of the Governing Council described in paragraphs 1 to 5 of the document. One reason underlying the Administrator's earlier proposals on the rationalization of the work of the Council (DP/1991/3) had been the desire to reduce the total volume of documentation requested by the Council. Although that had not proved possible to the desired extent at the current session, owing to the unforeseen need for additional documentation, the volume had been reduced considerably, and further reductions were expected in the future.

2. It was most regrettable that some documentation had been distributed late. Arrangements for translation and reproduction on a contractual or overtime basis had been made, and would also be needed in 1992, particularly if the Council decided to hold its session earlier than June to avoid overlapping with the United Nations Conference on Environment and Development. The innovative advance distribution of unedited documents in the original language had been continued, which meant that they had been delivered to the missions of Council members 48 hours after the final drafts had been cleared by UNDP, a practice unique in the United Nations system.

3. The report before the Council reviewed previous decisions on the biennialization or triennialization of specific subjects (paras. 6-9). At the current session, the Drafting Group was conducting its work on the understanding that any requests for reports for consideration and possible action included in draft decisions would have to be amended if they were not in accordance with decisions the plenary Council might take regarding biennialization or triennialization.

4. He drew specific attention to the proposals by the Administrator in paragraphs 10 and 12 to 17 of document DP/1991/58. A correction should be made in paragraph 17 in the list of subjects under special programmes of assistance: "Role of UNDP in the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990" should be listed for consideration in 1992 as a consequence of General Assembly resolution 45/178 A.

5. Mr. SOUTTER (Canada) welcomed the progress made in the efforts to streamline the work of the Council. However, he noted that at the current session it unfortunately had been necessary to schedule several meetings simultaneously, a number of points had been raised that might not be entirely relevant to the Council's work but instead represented special interests, and excess time had been spent on some issues, particularly the question of support costs.

(Mr. Soutter, Canada)

6. While his delegation endorsed most of the proposals in document DP/1991/58, it wished to make a number of suggestions. Firstly, the item on the environment should be included in the agenda for February 1992 in order to enhance UNDP's participation in the United Nations Conference on Environment and Development scheduled for June 1992. Secondly, consideration of the United Nations Capital Development Fund (UNCDF) and the United Nations Sudano-Sahelian Office (UNSO) could be postponed until 1994. Thirdly, follow-up discussion would be needed on the senior management structure, and if the topic was to be covered in the annual report of the Administrator, that should be made explicit.

7. Fourthly, while his delegation agreed that the item on United Nations system regular and extrabudgetary technical cooperation expenditures should be biennialized, it considered that the customary statistics should continue to be published on a timely, annual basis. Lastly, a number of items on the provisional agenda for the thirty-ninth session presumably would continue to come within the purview of the Standing Committee for Programme Matters, and therefore could be discussed between sessions. More time should be allowed for discussion of the United Nations Population Fund (UNFPA) in the plenary Council than had been the case at the current session.

8. Document DP/1991/58 had appropriately reminded the Council of the need to define a policy area for the high-level debate in 1992. Human development would be the appropriate choice, for the provocative ideas raised in the two issues of the Human Development Report had received considerable attention from both the public and the development community, but had not yet been addressed in depth within UNDP.

9. The PRESIDENT said that an effort had been made to minimize the number of simultaneous meetings, which had been necessary given the shorter Council session and the very heavy agenda.

10. Mr. CABEIRO QUINTANA (Cuba) reiterated his delegation's objection to the proposal to biennialize high-level debates, and rejected the reason for the proposal advanced in paragraph 4 of document DP/1991/58. Consideration of the budget would in no way interfere with those debates. Quite to the contrary, if the Council held a four-week session, the Budgetary and Finance Committee would have more time to consider the budget. Moreover, senior officials present for the high-level debate would also be available to discuss the budget.

11. The current session had demonstrated that three weeks did not provide sufficient time for proper consideration of the items before the Council. For example, the Budgetary and Finance Committee had not completed its informal consultations, and had only been able to review the audit reports and adopt the corresponding decision. The Council should revert to the four-week session format in 1992.

(Mr. Cabeiro Quintana, Cuba)

12. His delegation proposed that the following items should be considered in 1992: role of UNDP in the 1990s, role of UNDP in combating the human immunodeficiency virus (HIV) and the acquired immunodeficiency syndrome (AIDS), Special Plan of Economic Cooperation for Central America, evaluation of the mid-term review process, and Standing Committee for Programme Matters. The following items should be taken up in 1993: questions relating to Namibia, funding strategy, sectoral support, and procurement from developing countries. His delegation endorsed the draft provisional agenda for the thirty-ninth session of the Governing Council.

13. Mr. JERLSTROM (Sweden), speaking also on behalf of Denmark, Finland and Norway, noted that the Nordic States had conducted a study on the functioning of the United Nations system and had completed their final report. Nordic embassies throughout the world had been instructed to invite the Governments of their host countries to comment on the report. The Nordic States believed that the report deserved further consideration, and therefore proposed that one theme for the high-level segment of the Council's next session should be the UNDP role in United Nations operational activities.

14. Mr. VAN UFFORD (Netherlands) said that, in general, his delegation agreed with the proposals presented in document DP/1991/58 on the biennialization and triennialization of agenda items. However, the plague of AIDS had grown to such proportions that i was impossible to consider ways of enhancing human development without taking the threat of AIDS into account. The role of UNDP in combating HIV and AIDS was too important to be considered on a biennial basis, and should therefore be on the Governing Council's agenda every year. His delegation also felt that human development issues should be discussed annually.

15. Mr. TWITE (United Kingdom) said that his delegation was committed to the principle of biennialization and triennialization of the Governing Council's work. He was disappointed that many delegations at the current session had treated the agenda item on the annual report of the Administrator as a subject for high-level debate, which ran counter to the spirit of Governing Council decision 91/1.

16. He disagreed with the representative of Cuba on the issue of a four-week session for the Council; three weeks would provide ample opportunity for delegations to raise any issues of concern.

17. In general, he was pleased with the suggestions contained in document DP/1991/58 on how biennialization and triennialization could be properly instituted to enhance the efficiency and effectiveness of the Council's work. It was important that the Governing Council should set a good example in that regard for the rest of UNDP. He also stressed the importance of discussing the United Nations Volunteers programme (UNV) in even-numbered years, when the Council met in Geneva. Since the Council was also the governing body for UNV, the dates for consideration of that item should be set well in advance to

(Mr. Twite, United Kingdom)

ensure that the appropriate representatives of the programme would be able to participate.

18. Although his delegation was committed to the principle of biennialization and triennialization, even for important issues such as HIV/AIDS and women in development, it would not stand in the way of annual consideration of those issues if other delegations were strongly in favour of it. He agreed with the representative of Canada that issues related to UNSO and UNCDF could be considered in 1994, and that human development should be a key issue in the 1992 high-level debate. Subject to the observations he had made, he considered the draft agenda for the Council's thirty-ninth session acceptable.

19. Mrs. DUDIK-GAYOSO (United States of America) said that the Council's responsibilities included guiding the formulation of proposals for UNDP programmes and subsequently approving them, overseeing UNDP operations, evaluating its impact, and appropriating funds for its programme and administrative costs. There was unquestionably a need to streamline the Council's working methods, and her delegation relied on the Standing Committee for Programme Matters to help reduce the demands on the Council. Document DP/1991/58 had stimulated a useful debate on ways of rationalizing the Council's consideration of agenda items without decreasing its members' involvement in governing UNDP.

20. With that objective in mind, she proposed a refinement of the concept of biennialization and triennialization, which was not flexible enough, through the classification of agenda items into several categories. Those categories would include: (1) items to be covered in the Administrator's report every year (such as the implementation of UNDP activities at all levels), which would be considered in accordance with decisions taken at the February organizational session; (2) items which required an annual review (such as evaluation results); (3) items which required consideration only three times per cycle, namely at the time of their approval, at the mid-term review and at the time of their evaluation (such as the Special Plan of Economic Cooperation for Central America, activities involving non-governmental organizations, and the Management Development Programme); (4) outstanding issues which required annual consideration for the time being, such as national execution and national capacity-building, comparative advantages of UNDP, refugees and displaced persons, and environmental issues; and (5) items which could be biennialized or triennialized, such as women in development, technical cooperation among developing countries, and the trust funds, but which would be dealt with in the Administrator's annual reports in the event of any noteworthy developments. With respect to the issue of HIV/AIDS, she felt that it could be classified in either the first or the third category.

21. Her main concern, however, was that the process should be flexible. She therefore proposed that in the future, in the context of the agenda item on matters relating to the work of the Council, the Governing Council secretariat should provide a table similar to that contained in document DP/1991/58, which

(Mrs. Dudik-Gayoso, United States)

the Council could review and adjust as necessary. She also believed that the UNFPA agenda for 1992 should include an item on similar arrangements for structuring its annual agenda.

22. Her delegation was disappointed in the current session's high-level debate, and felt that its shortcomings could be remedied by improved agenda structuring. At the next session, the Administrator's annual report, which could incorporate the item proposed by the representative of Sweden, should be the subject of the high-level debate. Her delegation did not feel that themes for high-level consideration should be dealt with in separate documents, and planned to submit a draft decision on the matter.

23. She was concerned about the indication that the Council would have 127 country programmes to consider in 1992. The Council should consider no more than five country programmes per day to ensure that they received the attention they deserved. It was therefore important that the Standing Committee for Programme Matters should have substantial time to consider those programmes, and she wondered what arrangements had been made in that regard.

24. Mr. ALMABROUK (Observer for the Libyan Arab Jamahiriya) said that his delegation had understood that the inclusion in the current session's agenda of the item on UNDP assistance to the Palestinian people was an exception to the biennialization of that item which would not affect the timetable for its consideration at future sessions. He therefore asked why the table in document DP/1991/58 indicated that the item would not be considered at the 1992 session.

25. Mr. JASINSKI (Poland) said that the new arrangement was flexible and that the items to be reviewed in depth every two to three years would not disappear completely from the annual agenda, since they could also be discussed in the context of the Administrator's report or during the high-level segment.

26. In view of the importance of the operational aspects of programmes to combat the HIV/AIDS pandemic, he felt that the issue should be on the agenda for the 1992 session, at which time the Council could decide how often it should be discussed. He also felt that the Council should discuss the item on steps taken by UNDP in response to action taken by the General Assembly and by other organs of the United Nations system every two or three years, so as to retain a formal link with other United Nations bodies, since many of the issues raised in those bodies could have direct implications for UNDP. In addition, the Council should review biennialization and triennialization from time to time, perhaps in 1993.

27. Mr. SAHLMANN (Germany) said that if the Council could not streamline its agenda, it could not streamline its documents, which unquestionably needed to be more concise. He disagreed with the representative of Cuba on the issue of a four-week session in 1992, especially since 1992 was not a budget year. Although the Standing Committee for Programme Matters would have a very large

(Mr. Sahlmann, Germany)

load of country programmes to consider in 1992, the Council should be able to complete its regular May session in three weeks if the Standing Committee met for one week in February during the organizational session, one week in May during the regular session, and one week in the autumm. He asked how many country programmes were ready for discussion in the current year. Since it did not appear that the Council would complete its consideration of Special Programme Resources, he wondered whether the Standing Committee would hold a session in September 1991.

28. He supported the proposal of the representative of the United States for a more structured approach to biennialization and triennialization, and expressed his willingness to work on a draft decision on the subject. He also agreed that some reports which had previously been received annually could be incorporated into the Administrator's annual report. The Council should take a decision on those issues at its current session, so that a timetable could be drawn up on the basis of the decision before the February 1992 organizational session, at which time the Council could determine possible adjustments to the schedule.

29. He supported the proposal made by the representative of Sweden on behalf of the Nordic States. Discussions on an organizational structure and a funding approach which would benefit the entire United Nations system of operational activities should be included in the 1992 high-level debate. He also supported the representative of Canada in stressing the importance of human development issues.

30. Mr. SEZAKI (Japan) said that he wished to raise the issue of where the Governing Council should hold its meetings. His delegation had previously stated that all UNDP meetings should be convened at its headquarters in New York, so as to promote more active participation by delegations and save financial resources. In 1989, the Governing Council had decided to retain the current arrangement of holding its meetings alternately in New York and Geneva. However, in May 1991 the General Assembly had adopted a resolution on the restructuring and revitalization of the United Nations in the economic, social and related fields to ensure the most efficient and effective use of financial and human resources. Current Governing Council practice wth respect to the venue of the sessions was inconsistent with that principle.

31. He was concerned about the issue because UNDP was the only United Nations organ whose governing body periodically met away from its headquarters; because its current practice resulted in additional expenditure of about $200,000 per year, excluding those for the Department of Technical Cooperation for Development and UNFPA; and because only 16 African countries had missions in Geneva. Thus, the Council could ensure broader participation by developing countries in its meetings if all of its sessions were held in New York. He planned to submit a draft decision on the matter, which six delegations had already agreed to co-sponsor.

32. Mr. SAHLMANN (Germany), speaking on a point of order, said that it would be inappropriate to consider the question of the Council's venue at the current session, since it was not on the agenda.

33. Mr. Jasinski (Poland), Vice-President, took the Chair.

34. Mr. SEZAKI (Japan) said that under the item being discussed, he was entitled to raise any question relating to the Council's work, in accordance with United Nations practice.

35. Mr. SAHLMANN (Germany) said that a debate on the issue of the Council's venue would be lengthy and would not lead to a consensus at the current session. Moreover, the issue had already been discussed in the General Assembly, which had decided to retain the current arrangement. If the Japanese delegation insisted on pursuing the issue, it might be possible to find an accelerated way of dealing with it, possibly through the Bureau. However, the question could not be discussed by the plenary Council at the current session, and he hoped that the Japanese delegation would agree to defer consideration of the question until the next session.

36. The PRESIDENT said that it might be possible for the Bureau to consider the issue and to ask the United Nations Secretariat for information on the financial implications it entailed. The Council's heavy workload would not allow it to give the issue the careful consideration it deserved at the current session, so it might be preferable to refer the question to the Bureau, which would then present its findings and suggestions to the Council.

37. Mr. SEZAKI (Japan) said that, under the Governing Council's rules of procedure, his delegation was justified in raising the question of the venue of the Council's regular sessions. There was no doubt that the issue was important, since it involved a savings of $200,000.

38. The PRESIDENT reiterated that, rather than prolong the debate, the matter should be referred to the Bureau for consideration.

39. Mr. SOUTTER (Canada) said that his delegation supported the President's suggestion, as well as the views expressed by the representative of Japan.

40. Mr. SIEBER (Switzerland) supported the President's suggestion. The point made by the representative of Germany was a very valid one. The issue would have to be discussed in keeping with the rules and regulations of the Governing Council.

41. Mr. BORJA de MOZOTA (France) supported the President's suggestion and the observations made by the representative of Germany. The matter raised by the representative of Japan was not just an accounting exercise, but concerned the functioning of the Programme.

(Mr. Borja de Mozota, France)

42. His delegation believed that a three-week session of the Governing Council was sufficient. It was essential, however, to organize the work of the Standing Committee for Programme Matters in a way that would facilitate the Council's work. With respect to the high-level debate, his delegation proposed that human development, the least developed countries, and the role of UNDP within the United Nations system should be the topics given priority. Reports submitted to the Council should avoid duplication and useless repetition. Translations of documents, in particular documents that were at the core of the Council's agenda, should be made available well in advance.

43. Ms. LONGINOTTI (Italy) said that her delegation was in favour of three-week sessions of the Council. Flexibility should be exercised in the biennialization or triennialization of agenda items. In that regard, Italy supported the proposal made by the United States that a table should be provided similar to that contained in document DP/1991/58. The table should be discussed at the Council's organizational meeting. The topic of the high-level debate for 1992 should be human development. Italy supported Sweden's proposal that, on the basis of the study made by the Nordic countries, the role of UNDP in the operational activities of the United Nations system should also be discussed.

44. Mr. ABU-KOASH (Observer for Palestine) said that, owing to the occupation conditions in Palestine and the Secretary-General's decision to send a mission to Palestine, the item on assistance to the Palestinian people should, as a temporary procedure, be included in the Governing Council's agenda on an annual basis.

45. Mr. MISSARY (Observer for Yemen) supported the statement made by the representative of Palestine. His delegation wished to emphasize that the question should be discussed in the context of the mission to be sent to the Gulf region later in the year. It was important to draft a plan of assistance to the peoples of that region and the least developed countries.

46. Mr. KIRDAR (Secretary of the Council) said that the biennialization or triennialization of an item did not mean that an item was of lesser importance and should not have documentation, or that the Governing Council should not express its views on the item. The essence of the exercise was to place greater emphasis on certain items. The reason for taking up certain items in a specific year was to ensure a more in-depth study of those issues. The question of biennialization and triennialization would be dealt with by the Drafting Group.

47. Mr. ALMABROUK (Observer for the Libyan Arab Jamahiriya) said that, since the item on assistance to the Palestinian people had been included in the agenda of the thirty-eighth session of the Governing Council on an exceptional basis, he wished to know why the item had not been included in the agenda for the Council's thirty-ninth session.

48. Mr. OMOTOSO (Deputy Secretary of the Council) said that, at the organizational meeting in February, it had been decided that the item on assistance to the Palestinian people should be considered at the Council's thirty-eighth session without prejudice to the fact that the item had been biennialized.

49. The PRESIDENT said that, if he heard no objection, he would take it that the Governing Council agreed that the Drafting Group should begin elaborating draft decisions on matters relating to the work of the Council in 1992.

50. It was so decided.

OTHER MATTERS (DP/1990/74; DP/1991/54, 55, 67, 69 and 70)

51. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation), introducing the agenda item, drew attention to document DP/1991/69 concerning United Nations system regular and extrabudgetary technical cooperation expenditures in 1990 financed from sources other than UNDP.

52. During the period under review, the agencies, including UNFPA, had funded technical cooperation activities in developing countries in the amount of $1.1 billion. That was the highest level of non-UNDP-financed technical cooperation expenditure ever recorded, and the growth rate of such expenditure - 14 per cent - had also been the highest since 1980. Thus, even when allowance was made for inflation, non-UNDP-financed technical cooperation expenditure had experienced real growth during 1990.

53. Funding from the other agencies and UNFPA had increased during the year under review. The agencies had disbursed $920 million, as compared to just under $800 million in the previous year - a 15 per cent increase. That growth was due to a significantly higher level of extrabudgetary expenditure, which had risen from $552 million in the previous year to $686 million during 1990 - a jump of 24 per cent. Such a high growth rate had been more than enough to counterbalance the effect of a 5 per cent drop in the flow of expenditure from the agencies' regular budgets: $234 million in 1990 as compared to $246 million in the previous year. With regard to UNFPA, the other source of non-UNDP-financed technical cooperation expenditures, the volume of expenditure, which had stood at $157 million in 1989, had reached $169 million in 1990.

54. As in previous years, agency expenditure had been dominated by the World Health Organization (WHO) and the Food and Agriculture Organization of the United Nations (FAO). However, recent data had shown that such dominance was much more pronounced with regard to the regular budget than to extrabudgetary expenditure. That implied that many more agencies were relying on extrabudgetary sources to fund their technical cooperation activities.

(Mr. Edgren)

55. For UNFPA, expenditure in 1990 had stood at $169 million as compared to $157 million in the previous year. The skewed distribution by the agencies also spilled over to sectors, with health, agricultural and population activities predominating.

56. The total contributions received by the agencies during 1990 had amounted to $926 million, representing an increase of 10.6 per cent as compared to the previous year. The nominal growth of contributions had been a promiment feature since 1986. About two thirds of all contributions were provided by bilateral sources, while the rest came from multilateral sources. Contributions from the latter had reached $319 million during 1990, while contributions from bilateral sources had amounted to $607 million.

57. During 1990, UNDP had expended $1.1 billion in its effort to foster self-reliance in the developing countries. A slightly smaller volume of resources for technical cooperation activities had flowed from the World Bank/International Development Association (IDA). In short, a total of approximately $3.3 billion in technical cooperation assistance had been channelled to the developing world from the United Nations system, as compared to $3 billion in the previous year.

58. The United Nations Children's Fund (UNICEF) had incurred expenditure totalling $584 million during 1990, 17 per cent more than in the previous year. A characteristic feature of expenditure by UNICEF since 1985 was an annual growth rate above 10 per cent. The non-technical cooperation expenditure of the World Food Programme (WFP) had amounted to $956 million, representing an increase of 25 per cent as compared to the previous year.

59. In sum, the total operational expenditure of the United Nations system during 1990 had amounted to $4.8 billion, as compared to $4.3 billion in the previous year. That 12 per cent increase was sufficient to permit real growth after inflation had been taken into account.

60. Mr. KRYZHANIVSKIY (Observer for the Ukrainian Soviet Socialist Republic) said that the accident at the Chernobyl nuclear power plant had been a tragedy for the Ukrainian people, and had had negative effects on the country's political, economic, social, moral and psychological situation. More than 1,600 Ukrainian towns and villages, with a total population of over 15 million, were situated in contaminated areas. Over 1.8 million people, including 380,000 children, lived in areas with high radiation levels. Recent studies had revealed traces of radioactive contamination in regions that had previously been considered radiation-free. The incidence of cancer, in particular thyroid cancer and leukaemia in children, had risen considerably over the past two years.

61. The Ukrainian SSR was undertaking emergency measures to mitigate the effects of the accident. A moratorium had been declared on the construction of new nuclear reactors, and a decision had been taken on the gradual

(Mr. Kryzhanivskiy, Observer, Ukrainian SSR)

shut-down of the Chernobyl nuclear power plant. The Ukraine had been declared an environmental disaster zone.

62. The accident had severely damaged the Republic's economy. During the past two years, direct expenditure to eliminate the consequences of the accident had exceeded 8 billion roubles. The loss of the use of productive land had been estimated at 22 billion roubles. Moreover, the Republic's programme to provide assistance to victims of the accident required another 5.2 billion roubles.

63. While making every effort to protect its population from the consequences of the accident, his Government recognized that it required the assistance of the international community to deal with the disaster. General Assembly resolution 45/190 requested the organs, specialized agencies and programmes of the United Nations system to consider possible technical and other special assistance for the areas most affected, particularly in the Byelorussian Soviet Socialist Republic, the Ukrainian Soviet Socialist Republic and the Russian Soviet Federative Socialist Republic. His delegation welcomed the fact that a number of United Nations agencies, in particular the International Atomic Energy Agency (IAEA), WHO and UNICEF, had already responded to that request. He hoped that UNDP, which possessed considerable material and technical resources, would participate actively in international efforts to mitigate the consequences of the Chernobyl disaster. To that end, the delegations of the Byelorussian SSR, the Ukrainian SSR and the Soviet Union had prepared and submitted a draft decision on the subject to the Governing Council for consideration. The draft dealt with the Programme's response to the request contained in Assembly resolution 45/190.

64. Mr. ESPADA-PLATET (United States of America) said that his delegation appreciated the 10-year perspective provided in document DP/1990/74. He had noted that the funding for operational activities provided by United Nations agencies other than UNDP had more than doubled, so that it was close to, if not greater than, the UNDP funding. Technical assistance funding from regular budgets had grown by 600 per cent, and extrabudgetary funding from agencies other than WFP and UNICEF had doubled.

65. Those figures underscored the importance of improved field-level coordination, in view of the growing volume of resources which did not flow through UNDP. The United States strongly supported UNDP in its role as the central funding and coordinating body of the United Nations system. His delegation drew attention to the consequences of providing large amounts of extrabudgetary funding to United Nations specialized and technical agencies, including the increased fragmentation of system activities in the field, and a decreased willingness on the part of the agencies to work closely with UNDP.

66. The United States believed that there should be a division of labour among the United Nations agencies on the basis of their comparative advantages. The international strategy on illicit drugs was an example of such an arrangement, and it might be appropriate in other areas as well.

67. Mr. OKSAMITNIY (Union of Soviet Socialist Republics), referring to the draft decision submitted by the Byelorussian SSR, the Ukrainian SSR and the Soviet Union concerning UNDP participation in activities to mitigate the consequences of the Chernobyl nuclear accident, said that he was grateful to those delegations which had expressed a willingness to sponsor the draft decision, and hoped that other delegations would join them.

68. Document DP/1991/54, section IV, contained a reference to General Assembly resolution 45/190 concerning international cooperation to address and mitigate the consequences of the accident at the Chernobyl nuclear power plant. Although the introductory paragraph of that section suggested that the resolution was of importance only in guiding the general activities of UNDP, without giving rise to specific measures, the sponsors of the draft decision had taken the initiative of preparing a text which would also provide for UNDP action in response to Chernobyl. It should be noted that a number of international organizations, including the Economic Commission for Europe, WHO, UNICEF and others, had adopted decisions pertaining to their participation in such activities, and it would be appropriate for UNDP to do likewise. Furthermore, the draft decision was fully in keeping with General Assembly resolution 45/190 and did not go beyond the consensus achieved at the forty-fifth session. The adoption of the draft decision would not involve any additional pressure on the UNDP budget, nor would it mean that resources would be diverted from developing countries. The Chernobyl accident had coincided with a difficult economic situation in his country; it was to be hoped that those difficulties would be surmounted in due course so that the Soviet Union would be able to respond generously to the needs of the third world.

69. Mr. MISSARY (Observer for Yemen), referring to document DP/1991/54, said that his delegation was generally satisfied with the efforts made by UNDP to implement the General Assembly resolutions; however, in connection with the reference in section III to General Assembly resolution 45/222 concerning assistance for the reconstruction and development of Yemen, he would have appreciated information on the steps taken or planned by UNDP, especially as the question would be discussed by the Economic and Social Council at its forthcoming session. His delegation had also hoped that the document would refer to the efforts made and the difficulties encountered by UNDP in mobilizing resources to provide assistance to his country.

70. The General Assembly had also adopted resolution 45/193, concerning the unification of Yemen. His delegation would have appreciated a reference in document DP/1991/54 to that resolution, as Yemen attached great importance to the role of UNDP in providing support for its economic and social infrastructure.

71. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation) said that he was grateful to the United States representative for expressing support for the UNDP role as coordinator at the field level.

(Mr. Edgren)

72. Drawing attention to document DP/1991/69, he said chart 1 showed that the role of UNDP as the central funding mechanism of the United Nations system had become far less evident. Accordingly, UNDP would have to make use of its comparative advantage in coordination. It was to be hoped that specific ideas on that subject would be forthcoming at the next session of the Governing Council.

73. Mr. OMOTOSO (Deputy Secretary of the Council) said he wished to assure the representative of Yemen that all resolutions and decisions concerning that country which had been adopted by the Economic and Social Council and the General Assembly were being fully implemented by UNDP; indeed, UNDP representatives had taken an active part in the discussions of those texts. If a reference to General Assembly resolution 45/193 had been omitted from document DP/1991/54, that did not imply that UNDP was not part of the implementation process. UNDP had been told that the unification should not lead to a reduction in the indicative planning figures of the two Yemens. He urged the representative of Yemen to take up any specific questions with the UNDP Deputy Resident Representative for Yemen, who was attending the current meeting.

74. Mr. MISSARY (Observer for Yemen) said that he was grateful to the secretariat for that clarification and for reaffirming the role of UNDP in providing support to his country. Ideally, document DP/1991/54 should have included a reference to General Assembly resolution 45/193 and to the efforts made in the context of the unification. As he understood it, under the resolution the indicative planning figure for the unified country should be not only equal to, but greater than the indicative planning figures for the two former Yemens, in view of the fact that the Yemen Arab Republic and the People's Democratic Republic of Yemen had both been on the list of least developed countries. His delegation therefore proposed that the Council should adopt a decision affirming such an understanding of General Assembly resolution 45/193.

75. Mrs. DUDIK-GAYOSO (United States of America) said that document DP/1991/54 represented an improvement over previous documents of that type in that it identified the matters which were of particular importance to UNDP and to the Council. She suggested that, in the future, the Administrator might want to highlight particularly relevant General Assembly resolutions in his annual report.

76. The PRESIDENT said that, if he heard no objection, he would take it that the Council wished to take note of the documents listed under the agenda item.

77. It was so decided.

The meeting rose at 12.55 p.m.

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GOVERNING COUNCIL

Thirty-eighth session

SUMMARY RECORD OF THE 36th MEETING

Held at Headquarters, New York,
on Thursday, 20 June 1991, at 12.25 p.m.

President: Mr. PIRIZ-BALLON (Uruguay)

CONTENTS

Report on the informal consultations on Special Programme Resources

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The meeting was called to order at 12.25 p.m.

REPORT ON THE INFORMAL CONSULTATIONS ON SPECIAL PROGRAMME RESOURCES

1. Mr. JASINSKI (Poland), speaking as Vice-President and Rapporteur, said that, following the informal consultations held on the previous day, he recommended that the Governing Council should refer the agenda item on Special Programme Resources to the Standing Committee for Programme Matters. A detailed discussion of the question should take place at a resumed session of the Committee scheduled to be held in September 1991, followed by a short session of the Council for the purpose of taking a decision.

2. After a procedural discussion in which Mr. SAHA (India) and Mr. KIRDAR (Secretary of the Council) took part, the PRESIDENT said that, if he heard no objection, he would take it that the Council agreed to adopt that recommendation.

3. It was so decided.

The meeting rose at 1.30 p.m.

UNITED
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GOVERNING COUNCIL

Thirty-eighth session

SUMMARY RECORD OF THE 37th MEETING

Held at Headquarters, New York,
on Friday, 21 June 1991, at 10 a.m.

President: Mr. PIRIZ-BALLON (Uruguay)

CONTENTS

Other matters (continued)

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The meeting was called to order at 10.30 a.m.

OTHER MATTERS (continued) (DP/1991/L.10)

1. Mr. SEZAKI (Japan), introducing draft decision DP/1991/L.10 on behalf of the sponsors, said that Governing Council decision 89/63, which had called for the maintenance of the status quo with respect to the venue of the Council, had been superseded in importance by General Assembly resolution 45/264, paragraph 3 (h) of which stipulated that "restructuring and revitalization should be examined and pursued while ensuring the most efficient and effective use of the financial and human resources of the United Nations system in the economic, social and related fields".

2. The additional cost to the United Nations of holding Council meetings in Geneva rather than New York was $US 200,000. The limited resources of the Organization could be more constructively spent to promote technical cooperation for the benefit of the developing countries. Moreover, only 16 African States had missions in Geneva. While developing countries which were members of the Governing Council attended its meetings in Geneva, there was a tendency for developing countries which were not members not to attend. Accordingly, to ensure as broad participation as possible, particularly by the developing countries, the Council should meet in New York. Moreover, when Council meetings were held in Geneva, many headquarters staff from the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the Department of Technical Cooperation for Development had to be sent there as well, and that was not an effective use of resources.

3. Mr. RADE (Netherlands), speaking on behalf of the States members of the European Economic Community, said that the Twelve could not accept the draft decision for three main reasons. Firstly, experience had demonstrated that Governing Council sessions held in Geneva were better attended by delegations from the capitals of developing countries. Secondly, while cost certainly was a factor, the Twelve were not entirely convinced by the figures given by UNDP for meetings held away from headquarters, for it was their understanding that sessions in New York involved higher costs, for example, as far as translation services were concerned. Moreover, the cost to delegations was higher in New York than in Geneva. Thirdly, many of the agencies closely involved with the work of UNDP had their headquarters in Geneva and therefore could be more closely involved in the Council's work when its meetings were held there.

4. It was unlikely that a consensus could be reached on the issue at the current session. Further discussion of the matter should be deferred until the next session.

5. Mr. AL-FAIHANI (Observer for Bahrain) asked the secretariat whether the spirit of document DP/1991/L.10 was consistent with the policy of the United Nations to locate its economic organs in Geneva.

6. Mr. KIRDAR (Secretary of the Council) said that it was not for the secretariat to pass judgement on any draft decision submitted by sovereign Governments.

7. Mr. SEZAKI (Japan) said that while he was pleased that the members of the European Economic Community were prepared to consider the question of the venue of the Council's meetings at some stage, he did not feel that it was necessary to wait until the next regular session.

8. Although he had not yet consulted the other sponsors of draft decision DP/1991/L.10, he proposed to revise the operative paragraph to read along the following lines:

> "Decides to review the issue of the venue of sessions of the Governing Council at the special session to be held in February 1992 and further decides to include in its provisional agenda an item entitled 'Arrangements for the Governing Council: Venue'."

9. Mr. AL-FAIHANI (Observer for Bahrain) said that while he had no objection to the revision just proposed, he wondered whether there would be time to discuss the issue at the special session in February.

10. The PRESIDENT pointed out that the Council was to hold an organizational meeting, not a special session, in February 1992. The Council could of course decide to hold a special session immediately before or after the organizational meeting.

11. Mr. RADE (Netherlands) suggested that informal consultations should be held to determine exactly when the issue would be discussed.

12. Mr. SOUTTER (Canada) agreed with the procedure suggested by the representative of the Netherlands. Canada felt that it would be appropriate to discuss the question of venue at the organizational meeting in February.

13. The PRESIDENT pointed out that it would be necessary to amend the rules of procedure if it was ultimately decided to change the venue of the Council's meetings.

14. Mr. POPESCU (Romania) said that his delegation was not entirely convinced that the current arrangements for Council meetings should be altered. However, it would not object to further discussion of the issue, and endorsed the views of the representative of the Netherlands.

15. Mr. SEZAKI (Japan) recalled that the Administrator had stated clearly at the current session that he would like the senior management structure to be discussed further at a special session in February. Accordingly, substantive discussion of issues would take place at that session.

16. The PRESIDENT observed that when the Administrator had made the point just referred to, the Council had not yet decided to hold a special session in February.

17. Mr. SAHA (India) said that, at the very least, the Council should decide to hold a special session after its organizational meeting in February 1992 in order to consider draft decision DP/1991/L.10.

18. Mr. GATHUNGU (Kenya) said some delegations seemed to believe that the draft decision should be discussed at the Governing Council's organizational meeting in February 1992 because it was an organizational issue. However, in his opinion, the draft decision was a substantive issue and should be discussed as such.

19. The PRESIDENT said that paragraph 2 of rule 1 of the rules of procedure of the Governing Council stated that "the organizational meeting shall be responsible for the election of officers of the Governing Council, for the adoption of the agenda of the Governing Council's regular session and for any other matters that the Governing Council may determine". That meant that the issue could be included in the provisional agenda for the organizational meeting.

20. Mr. ROHNER (Switzerland) said that the matter should be discussed in informal consultations, which should be held immediately.

21. Mr. RADE (Netherlands) requested the secretariat to provide information about the financial implications of holding a special session.

22. Mr. KIRDAR (Secretary of the Council) said that the secretariat would have to consult with the Department of Conference Services regarding the additional costs that a special session would entail. However, it would first have to determine how long the special session would be.

23. The PRESIDENT said that the discussion of the draft decision could be included as an item in the provisional agenda of the organizational meeting.

24. Mr. JASINSKI (Poland) said that the Governing Council would have to deal with many important and time-consuming issues in February 1992, and he questioned the advisability of including such a controversial issue in the Council's work. The Council should give priority to issues relating to the fifth programming cycle. Perhaps the question of the venue of the Council could be discussed during the middle of that cycle.

25. The PRESIDENT said that many delegations considered the issue raised in the draft decision to be a matter of priority. The Governing Council should begin informal consultations in order to decide whether it could defer the issue to its organizational meeting in February 1992.

26. Mr. SEZAKI (Japan) said he had understood that the question would be included as an item in the provisional agenda of the Governing Council's organizational meeting, on the assumption that a special session would be held. He drew attention to Council decision 89/66, which provided for an organizational meeting lasting one day and a special session lasting three days. While he believed that the Council should deal with the issue in a

(Mr. Sezaki, Japan)

special session, he would not object if the Council decided to consider the issue at its organizational meeting.

27. Mr. RADE (Netherlands) inquired whether the secretariat had already decided that there would be a special session following the organizational meeting in February 1992.

28. Mr. KIRDAR (Secretary of the Council) said that Governing Council decision 89/66 referred specifically to the special session that had been held from 21 to 23 February 1990. The Council had not yet decided when the 1992 organizational meeting would take place or whether to convene a special session following that meeting.

29. Mr. SAHA (India) said that, when the Governing Council took a decision on its work in 1992, it would also have to agree on a venue for its regular session. The approach that the Council had embarked on was somewhat confrontational and could lead to a deadlock. Procedural problems should not stand in the way of a discussion that could result in an agreement.

30. Mr. ROHNER (Switzerland) referred the representative of India to paragraph 1 of rule 1 of the rules of procedure of the Governing Council, which stated that "regular sessions shall be held alternately at United Nations Headquarters and at the Geneva office of the United Nations". If the Council decided to hold its regular sessions only in New York, it would have to change its rules of procedure.

31. The PRESIDENT said that, if he heard no objection, he would take it that the Council agreed to have informal consultations on when to consider draft decision DP/1991/L.10.

32. It was so decided.

The meeting rose at 11.30 a.m.

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GOVERNING COUNCIL

Thirty-eighth session

SUMMARY RECORD OF THE 38th MEETING

Held at Headquarters, New York,
on Friday, 12 June 1991, at 8 p.m.

President: Mr. PIRIZ-BALLON (Uruguay)

CONTENTS

Other matters (continued)

Adoption of the recommendations of the Budgetary and Finance Committee

Adoption of the recommendations of the Standing Committee for Programme Matters

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The meeting was called to order at 8.15 p.m.

OTHER MATTERS (continued) (DP/1991/L.10)

1. The PRESIDENT said that, after the consultations held by the delegations on the draft decision in document DP/1991/L.10 concerning the arrangements for the venue of the Governing Council, the following draft decision had been formulated:

"The Governing Council

"Decides to review the issue of the venue of sessions of the Governing Council at its organizational meeting to be held in February 1992 and further decides to include in its provisional agenda of that meeting an item entitled 'Arrangements for the Governing Council: venue'."

2. If there were no objection, he would take it that the Governing Council adopted the draft decision.

3. It was so decided.

ADOPTION OF THE RECOMMENDATIONS OF THE BUDGETARY AND FINANCE COMMITTEE (DP/1991/BFC/L.2/Add.1; annexes to DP/1991/BFC/L.2/Add.2-5 and DP/1991/BFC/L.3)

4. Mr. KRAMER (Canada), Chairman of the Budgetary and Finance Committee, said that one of the most important subjects before the Committee had been the budget estimates for 1991 and the biennium 1992-1993, which had been thoroughly discussed in formal and informal meetings. Obviously there had been differences of opinion, but thanks to the flexibility, the spirit of cooperation and the professionalism of the members, an agreement had been reached.

5. Miss CUAYO (Philippines), Rapporteur of the Budgetary and Finance Committee, said that the final report of the Committee would be issued in document DP/1991/71, the recommendations submitted to the Council for consideration were set forth in the addenda to document DP/1991/BFC/L.2, and most of the approved amendments to the recommendations of the Committee were in document DP/1991/BFC/L.3. As the Committee had entrusted her with the task of finalizing the summary report of discussions based on inputs received from delegations and agreed upon informally, she requested authorization to incorporate into the final text of the report the amendments recently made to recommendations in documents DP/1991/BFC/L.2/Add.3 and 5 and the amendments to the record of discussions just mentioned, and to introduce all the recommendations of the Committee together, as a whole.

(Miss Cuayo, Philippines)

6. Having obtained the consent of the Council, she outlined the content of documents DP/1991/BFC/L.2/Add.1 to 5 and DP/1991/BFC/L.3. She explained that the decision in document DP/1991/BFC/L.2/Add.5 included the posts which the Budgetary and Finance Committee had agreed on for incorporation into the administrative budget of UNDP for the Humanitarian Programmes Support Unit. Finally, she added that documents DP/1991/43 to 46 had also been taken into account.

7. The CHAIRMAN said that, if there were no objections, he would take it that the Council wished to adopt the recommendations of the Budgetary and Finance Committee as submitted by the Rapporteur of the Committee.

8. It was so decided.

9. Mr. AL-FAIHANI (Observer for Bahrain) said that his delegation wished to reiterate its reservations concerning certain paragraphs which would have future implications in the decisions to be adopted by the Budgetary and Finance Committee in connection with the budget estimates for the biennium 1992-1993.

10. Mr. SALES (Mozambique) said that the recommendations in paragraphs 7 and 8 of document DP/1991/BFC/L.2/Add.2/ANNEX should by no means be interpreted to mean that the activities of the Special Measures Fund for the Least Developed Countries would cease. On the contrary, the recommendations should be interpreted in the light of the relevant resolutions analysed by the Drafting Group and soon to be submitted to and adopted by the full Council.

ADOPTION OF THE RECOMMENDATIONS OF THE STANDING COMMITTEE FOR PROGRAMME MATTERS (DP/1991/SCPM/L.4, L.5 and L.6)

11. Mr. GATHUNGU (Kenya), Vice-President of the Governing Council and Chairman of the Standing Committee for Programme Matters, presented the Committee's report (DP/1991/SCPM/L.4). The Standing Committee had held 10 meetings during the current session of the Council and had concluded its deliberations early in the day with the adoption of his report which reflected the exhaustive deliberations of the Standing Committee on the items of its agenda including the country and intercountry programmes of UNFPA and UNDP which had been submitted for the consideration of the Standing Committee. The report consisted of a narrative section and a section containing the recommendations. It had also introduced some amendments to the narrative section which had been distributed to the members of the Council in a separate paper.

12. The Standing Committee recommended the Council to adopt four draft decisions: draft decisions I and II which appeared in chapter VIII of the report under the headings "United Nations Population Fund" and "Country, intercountry and global programmes", respectively; draft decision III which appeared in document DP/1991/SCPM/L.5 under the heading "Evaluation", and

(Mr. Gathungu, Kenya)

draft decision IV, in document DP/1991/SCPM/L.6 under the heading "Implementation of evaluation recommendations". As a result, section II of draft decison II, in document DP/1991/SCPM/L.4, had been withdrawn.

13. The PRESIDENT suggested that the Council should consider the draft decisions submitted by the Standing Committee for Programme Matters in paragraph 127 of document DP/1991/SCPM/L.4 and in documents DP/1991/SCPM/L.5 and DP/1991/SCPM/L.6. If he heard no objection, he would take it that the Council wished to adopt those draft decisions.

14. It was so decided.

15. Mr. KIRDAR (Secretary of the Governing Council) informed the Council of the progress of the work of the Drafting Group and outlined the draft resolutions adopted by the Group. With regard to the questions raised by several delegations concerning the timetable for the submission of country programmes to the Governing Council, he remarked that between 21 June 1991 and the month of June 1993 a total of 141 programmes would have to be adopted: 22 in February and 89 in June 1992; and 21 in February and 9 in June 1993.

The meeting rose at 9 p.m.

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GOVERNING COUNCIL

Thirty-eighth session

SUMMARY RECORD OF THE 39th MEETING

Held at Headquarters, New York,
on Tuesday, 25 June 1991, at 3 p.m.

President: Mr. PIRIZ-BALLON (Uruguay)

CONTENTS

Adoption of draft decisions on agency support costs

Adoption of draft decisions submitted by the Drafting Group

Matters related to the work of the Governing Council in 1992 (continued)

Suspension of the session

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The meeting was called to order at 3.20 p.m.

ADOPTION OF DRAFT DECISIONS ON AGENCY SUPPORT COSTS (DP/1991/L.11, L.12 and L.13)

Draft decision DP/1991/L.11

1. Mr. KRAMER (Canada), speaking as Vice-President, said that, in accordance with the agreement reached during informal consultations, document DP/1991/L.11 should be amended. In paragraph 12, "paragraph 6" should be changed to "paragraph 4"; the following words should be added at the end of paragraphs 18 and 21: "and requests the Administrator to report thereon to the Council at its thirty-ninth session." Paragraph 27 should be deleted. In paragraph 33, a full stop should be inserted after "each year"; the word "including" should be deleted, and the new sentence should read "The report should include information on the status of the financial provisions of the successor arrangements ...". In annex I, the lines should be numbered, so that "Support costs for transitionary projects" would be line 1, and "Country and intercountry IPF sub-lines" would be line 9. Line 2 should be changed to read "Provision for nationally implemented projects approved in accordance with paragraph 16 of this decision and SPR-financed nationally implemented projects"; the figure corresponding to that line should be changed to 17. Line 4 should be changed to read "Support costs for SPR-funded projects (excluding nationally implemented projects)"; the figure corresponding to that line should be changed to 23. An asterisk should be inserted after the figure 627 on the "TOTAL" line, and the following footnote should be added below footnote a/: "* Excludes line 2." Lastly, in annex IV, paragraph 14, "UNDP" should be inserted before "project cycle", and the word "such" should be added after "for all"; in paragraph 16, the word "support" should be inserted between "operational" and "services".

2. Ms. PRADEL (Germany) suggested that the words "and SPR-financed projects" should be added in paragraph 26 of the draft decision, after "intercountry projects".

3. Ms. EHRENREICH (Denmark) said that she would like the representative of Canada to confirm that it had been agreed during informal consultations to add the asterisk and the footnote mentioned in his statement.

4. Mr. SAHA (India) said that the reference in annex IV, paragraph 9, to "paragraph 7 of the present annex" was perhaps an error; the intention might have been to refer to paragraph 8.

5. Mrs. DUDIK-GAYOSO (United States of America) said that she would appreciate hearing it confirmed that the figures for annex I which had been read out by the representative of Canada were indeed those which had been agreed on during informal consultations.

6. Mr. KRAMER (Canada), speaking as Vice-President, said that the questions raised by the representatives of Denmark and the United States could be answered affirmatively. Annex I contained a distillation of the financial issues and represented no change from what had been agreed on during informal consultations. The asterisk and the footnote had been added for editorial reasons, taking into account the concern of some delegations that footnote a/ was not sufficiently visible.

7. Draft decision DP/1991/L.11, as amended, was adopted.

8. Mr. PETTITT (United Kingdom), explaining the position of Austria, Germany, Italy, Switzerland, the Union of Soviet Socialist Republics, the United States and the United Kingdom on the draft decision just adopted, said that those countries interpreted the expression "national execution" in paragraph 11 as having the same meaning as it did in Governing Council decision 1990/21, paragraph 1.

9. The delegations on whose behalf he spoke requested that the functioning of the arrangements outlined in paragraph 11 should be among the subjects to be covered in the reports of the Administrator which were provided for in paragraphs 32 and 33 of the draft decision. That request was being made in the event that unforeseen factors, such as switching between sectors, reductions in expenditure or difficulties with expenditure in certain programmes, threatened to defeat the purpose of paragraph 11, which was to trigger the TSS-2 resources in time for their use, provided that national execution in the sectors covered by the new regime grew in accordance with the Council's expectations.

Draft decisions DP/1991/L.12 and L.13

10. Draft decisions DP/1991/L.12 and L.13 were adopted.

11. Mr. PETTITT (United Kingdom) said that his delegation had supported the adoption of draft decision DP/1991/L.12 in order not to jeopardize the consensus. It had agreed to the proposal in paragraph 10 on the charging of administrative and operational services, on the understanding that agreement had been reached with the secretariats of the relevant agencies, and that the agencies had determined that the contributions in kind were at least equal to the value of the new subsidy required of them. Since the figure of 7.5 per cent had not been agreed upon with the agencies, the logical basis for his delegation's support of the text had been undermined. While the United Kingdom did not foresee any difficulties, it reserved the right to take a different view if necessary in the other relevant governing bodies.

12. Mr. KRAMER (Canada), speaking as Vice-President, drew attention to a draft decision on sectoral support which was before the Council. As the document had no symbol and had not been translated into all the working languages, he doubted whether it could be adopted at the current meeting.

13. After a procedural discussion in which Mr. PETTITT (United Kingdom), Mrs. DUDIK-GAYOSO (United States of America), Mr. RONDON-MUSSO (Venezuela) and Mr. OKSAMITNIY (Union of Soviet Socialist Republics) took part, the PRESIDENT invited the Secretary of the Council to read out the draft decision in English.

14. Mr. KIRDAR (Secretary of the Council) read out the draft decision.

15. The PRESIDENT said that, if he heard no objection, he would take it that the Council agreed to adopt the draft decision ad referendum.

16. It was so decided.

ADOPTION OF DRAFT DECISIONS SUBMITTED BY THE DRAFTING GROUP (DP/1991/L.8 and Add.1-31)

17. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, drew the Council's attention to the Drafting Group's report and the draft decisions submitted for adoption (DP/1991/L.8 and Add.1-31).

Draft decision DP/1991/L.8/Add.1

18. Draft decision DP/1991/L.8/Add.1 was adopted.

Draft decision DP/1991/L.8/Add.2

19. Draft decision DP/1991/L.8/Add.2 was adopted.

Draft decision DP/1991/L.8/Add.3

20. Draft decision DP/1991/L.8/Add.3 was adopted.

Draft decision DP/1991/L.8/Add.4

21. Draft decision DP/1991/L.8/Add.4 was adopted.

Draft decision DP/1991/L.8/Add.5

22. Draft decision DP/1991/L.8/Add.5 was adopted.

Draft decision DP/1991/L.8/Add.6

23. Draft decision DP/1991/L.8/Add.6 was adopted.

Draft decision DP/1991/L.8/Add.7

24. Draft decision DP/1991/L.8/Add.7 was adopted.

Draft decision DP/1991/L.8/Add.8

25. Draft decision DP/1991/L.8/Add.8 was adopted.

Draft decision DP/1991/L.8/Add.9

26. Draft decision DP/1991/L.8/Add.9 was adopted.

Draft decision DP/1991/L.8/Add.10

27. Draft decision DP/1991/L.8/Add.10 was adopted.

Draft decision DP/1991/L.8/Add.11

28. Mr. KIRDAR (Secretary of the Council) said that, owing to a mistake by the sponsors of the draft decision, Yemen originally had not been included in the list of countries to receive assistance. The document had been reissued to allow for the inclusion of Yemen.

29. Mr. GEBREMEDHIN (Observer for Ethiopia) said that although his delegation did not object to the inclusion of Yemen, it had profound reservations regarding the procedure followed in the consultations.

30. Mr. GATHUNGU (Kenya) said that he was not satisfied with the Secretary's explanation, and had reservations regarding the procedural arrangements for the consultations and the way in which the content of the document had been altered. He emphasized, however, that the people and Government of Kenya were grateful to the Governing Council for draft decision DP/1991/L.8/Add.11. They looked forward to further United Nations assistance to the refugees in the region.

31. Draft decision DP/1991/L.8/Add.11 was adopted.

Draft decision DP/1991/L.8/Add.12

32. Draft decision DP/1991/L.8/Add.12 was adopted.

Draft decision DP/1991/L.8/Add.13

33. Draft decision DP/1991/L.8/Add.13 was adopted.

Draft decision DP/1991/L.8/Add.14

34. Draft decision DP/1991/L.8/Add.14 was adopted.

Draft decision DP/1991/L.8/Add.15

35. Draft decision DP/1991/L.8/Add.15 was adopted.

Draft decision DP/1991/L.8/Add.16

36. Draft decision DP/1991/L.8/Add.16 was adopted.

37. Mr. AL-FAIHANI (Observer for Bahrain) said that paragraph 2 of draft decision DP/1991/L.8/Add.16 failed to indicate the degree of emphasis which the new programme would place on the social development, the economic development and the environment of the countries affected by the Gulf crisis. Those three areas should be given equal attention in the preparation of the programme for the region.

Draft decision DP/1991/L.8/Add.17

38. Draft decision DP/1991/L.8/Add.17 was adopted.

Draft decision DP/1991/L.8/Add.18

39. Draft decision DP/1991/L.8/Add.18 was adopted.

Draft decision DP/1991/L.8/Add.19

40. Draft decision DP/1991/L.8/Add.19 was adopted.

Draft decision DP/1991/L.8/Add.20

41. Draft decision DP/1991/L.8/Add.20 was adopted.

Draft decision DP/1991/L.8/Add.21

42. Draft decision DP/1991/L.8/Add.21 was adopted.

Draft decision DP/1991/L.8/Add.22

43. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, pointed out that the fourth preambular paragraph, which had been deleted by the Drafting Group, had inadvertently been included. It should be deleted from the text.

44. Draft decision DP/1991/L.8/Add.22, as revised, was adopted.

Draft decision DP/1991/L.8/Add.23

45. Mr. GUERRERO (Philippines), referring to draft decision DP/1991/L.8/Add.23 on emergency aid to the Philippines, said that his Government wished to express its profound gratitude for the support received during the emergency. At first, the Philippines had thought that its own resources would be sufficient, but the problems had been so great that it had needed the support of the entire world. United Nations agencies as well as other multilateral institutions had come to the aid of the Philippines. His Government wished to thank them all.

46. Draft decision DP/1991/L.8/Add.23 was adopted.

Draft decision DP/1991/L.8/Add.24

47. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, said that the words "as providing the framework for the United Nations Development Programme's activities in this area" should be inserted at the end of paragraph 2.

48. Draft decision DP/1991/L.8/Add.24, as revised, was adopted.

Draft decision DP/1991/L.8/Add.25

49. Draft decision DP/1991/L.8/Add.25 was adopted.

50. Mr. DENU (Ghana), speaking on behalf of the Group of 77, said that the Group of 77 acknowledged the need for the highest level of professionalism in the preparation of the Human Development Report. In the same spirit, and in the light of earlier statements made in the Council, it considered that the "human freedom index" must not be included in future issues of that report. The Group of 77 expected the report to focus on priority areas of human development along the lines of the 1990 issue.

51. The inclusion of his statement in the summary record would represent partial fulfilment of the condition under which the members of the Group of 77 had agreed to the adoption of the draft decision as it stood.

52. Mrs. DUDIK-GAYOSO (United States of America) said her delegation regretted that the Group of 77 had made a statement, breaking the Council's long tradition of avoiding political groupings in order to concentrate on its technical work.

53. Mr. ZHANG Guanghui (China), reiterating his delegation's position on the Human Development Report 1991, and in particular the "human freedom index", said that the information on China was at variance with the actual situation in his country; its inclusion in the report was inappropriate. UNDP should concentrate on promoting the revitalization of the economic growth and development of the developing countries, and should not introduce ideological issues in its operational work.

Draft decision DP/1991/L.8/Add.26

54. Draft decision DP/1991/L.8/Add.26 was adopted.

Draft decision DP/1991/L.8/Add.27

55. Draft decision DP/1991/L.8/Add.27 was adopted.

56. Miss HASSAN (Observer for Egypt) noted that in paragraph 4 of draft decision DP/1991/L.8/Add.27, the Administrator was requested to "inform" the Governing Council at its thirty-ninth session on the implementation of the decision. The information could therefore be presented orally rather than in writing.

Draft decision DP/1991/L.8/Add.28

57. Mr. AL-FAIHANI (Observer for Bahrain) said that his Government had reservations concerning the preparations for the fifth programming cycle. Draft decision DP/1991/L.8/Add.28 did not separate the question of net contributor status from the question of the cost of field offices, and would lead to closure of field offices in a number of developing countries despite their importance not only to Governments and to the Programme, but also to the United Nations system in general.

58. The provisions on field offices constituted a disavowal by the Governing Council and the Programme of the agreement concerning the extension of UNDP assistance to all developing countries. In addition, the draft decision linked certain financial questions that had caused disagreement during the fourth programming cycle to indicative planning figures (IPFs) for the fifth cycle.

59. As the draft decision was silent on the question of charging the costs for the resident representative and his deputy to UNDP in countries with net contributor status, the Governing Council had gone back on its decision 85/16. However, the draft decision did lay down conditions for charging to the Programme the costs of the two posts.

60. The draft decision divided countries having net contributor status into several subclassifications. It forced a number of developing countries to accept the principle of net contributor status. The non-issuance of IPFs for some developing countries would lead to their being classified as non-developing countries, with the consequent loss of technical assistance from United Nations agencies.

61. The draft decision ignored the Governing Council decision that had called on the Administrator to develop environmental and geographical criteria for determining net contributor status during the fifth programming cycle.

62. The draft decision also ignored agreements between Governments and UNDP. For example, it went beyond the provisions of articles 5 and 6 of the agreement between Bahrain and the Programme on the contributions of the Government, its participation in the implementation of projects and the estimated cost of projects to be paid in local currency.

63. Moreover, the draft decision ignored certain legal questions arising from previous decisions of the Governing Council. In some respects, it was one-sided and ignored the opinions of some of the affected countries. It was not even consistent with previous decisions of the Governing Council, including paragraph 11 of decision 85/16, which called on the Administrator to negotiate amendments to the Standard Basic Agreement with Governments.

64. Mr. KIRDAR (Secretary of the Council) said that the subject of draft decisions DP/1991/L.8/Add.28 and 30 was preparations for the fifth programming cycle. It might be better to add the words "net contributor status" to the title of the former, and "regional IPFs" to the title of the latter, so as to distinguish the two.

65. Mr. PETTITT (United Kingdom) pointed out that the question of net contributor status had little to do with paragraph 1 of draft decision DP/1991/L.8/Add.28, which dealt with Special Drawing Rights.

66. Mrs. DUDIK-GAYOSO (United States of America) added that paragraph 13 also dealt with issues unrelated to net contributor status; perhaps only the title of draft decision DP/1991/L.8/Add.30 should be changed.

67. Draft decision DP/1991/L.8/Add.28 was adopted.

Draft decision DP/1991/L.8/Add.29

68. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, said that a new subparagraph should be inserted in paragraph 7: "(a) Functions of the Strategy Group and their relationship to the functions of the Governing Council and the Bureau for Programme Policy and Evaluation". The former subparagraph (a) would become subparagraph (b), and so on.

69. Draft decision DP/1991/L.8/Add.29, as amended, was adopted.

70. Mr. YENEL (Observer for Turkey) noted that the report entitled "A strategy-based senior management structure for the United Nations Development Programme" (DP/1991/50) had been commissioned by the Governing Council on 22 June 1990. Turkey had, however, requested more time to study and digest the proposals in the report. It was his Government's understanding that the implementation of the draft decision just adopted would be considered in the light of the views expressed by delegations when the item had been discussed. Turkey understood that no major decision would be taken without the consent of the Governing Council.

Draft decision DP/1991/L.8/Add.30

71. The PRESIDENT reiterated the suggestion that the words "regional IPFs" should be added to the title of the draft decision.

72. It was so decided.

73. Draft decision DP/1991/L.8/Add.30, as amended, was adopted.

Draft decision DP/1991/L.8/Add.31

74. Draft decision DP/1991/L.8/Add.31 was adopted.

Draft decision DP/1991/L.9

75. Mr. AMAZIANE (Observer for Morocco) noted that the High-level Committee on the Review of Technical Cooperation among Developing Countries had just ended its seventh session, and wondered whether the Governing Council would now take note of its report, as was usual.

76. Mr. GOMEZ (Associate Administrator) said that draft decision DP/1991/L.9, "Extract from the report of the High-level Committee on the Review of Technical Cooperation among Development Countries on its seventh session", would be dealt with later on.

77. Mrs. DUDIK-GAYOSO (United States of America) recalled that technical cooperation among developing countries had been taken up under agenda item 2, and that in draft decision DP/1991/L.8/Add.5, the Council had welcomed decision 7/1 of the High-level Committee.

MATTERS RELATED TO THE WORK OF THE GOVERNING COUNCIL IN 1992 (continued)

78. Mr. KIRDAR (Secretary of the Council) said that the resumed session of the Governing Council, including meetings of the Standing Committee for Programme Matters, would be held from 4 to 6 September 1991; the organizational meeting for 1992 would be held on 10 February 1992; the special session, including meetings of the Standing Committee, would be held from 10 to 14 February 1992; and the Council's thirty-ninth session would be held at Geneva from 4 to 29 May 1992.

79. Mrs. DUDIK-GAYOSO (United States of America) wished to know when the documentation on Special Programme Resources would be available for the September meeting. In 1992, the Standing Committee would have to consider approximately 120 country programmes, 20 of which would be ready in February 1992. Since it would be difficult to consider more than five country programmes a day, she proposed that the special session should last at least four days. It seemed unlikely that the Standing Committee would be able to consider 89 country programmes at the Council's thirty-ninth session, and she proposed that the Committee should meet some time between February and May 1992 to consider only country programmes.

80. Mr. AMAZIANE (Observer for Morocco) said that the Governing Council's organizational meeting should not overlap with the organizational meeting of the Economic and Social Council, which would also be held in February 1992.

81. Mr. SIEBER (Switzerland) supported the comments made by the representative of the United States. The Administration should arrange for the holding of informal consultations of the Standing Committee to discuss the programme guidelines, at the resumed session in September 1991.

82. Mr. MISSARY (Observer for Yemen) said that, according to the last paragraphs of the Governing Council's draft decisions on assistance to Yemen (DP/1991/L.8/Add.27) and on assistance to Djibouti, Ethiopia, Kenya, Somalia, the Sudan and Yemen (DP/1991/L.8/Add.11), the Administrator was requested to report to the Council at its thirty-ninth session and at its special session in February 1992. However, the programme of work for the special session made no mention of the Administrator's report.

83. Ms. JANJUA (Pakistan), referring to the suggestion made by the representative of Switzerland, said that the holding of informal consultations on the programme guidelines could be discussed at the Governing Council's resumed session in September.

84. Mr. KIRDAR (Secretary of the Council) said that all documentation on Special Programme Resources for the Governing Council's resumed session had been issued, except for one conference room paper; the conference room paper was currently available in English, and the Council would take action to make that paper available in all the other official languages. At the special session in February 1992, the Standing Committee would meet for four days, which would enable it to consider five country programmes a day.

85. In February, the Council would consider the programme of work for its thirty-ninth session, and at that time would be able to decide on a schedule of meetings for the Standing Committee. The Council would decide at a later date whether to schedule additional meetings of the Council and the Standing Committee to consider the remaining country programmes.

86. While the Governing Council decision on the UNDP Gulf Task Force (DP/1991/L.8/Add.16) did request the Administrator to report to the Council at the special session in February 1992, he suggested that the Council should consider the Administrator's report on that item, as well as his reports on other substantive items, at its thirty-ninth session.

87. Mr. GATHUNGU (Kenya) said that the African countries had expressed concern regarding the scheduling of the Governing Council's resumed session from 4 to 6 September 1991, since at that time they would be very busy with the final review of the United Nations Programme of Action for African Economic Recovery and Development. That would make it difficult for African countries to attend meetings of the Council and the Standing Committee. The secretariat should therefore try to reschedule the resumed session during the week of 16 September 1991. He hoped that in future, when the Council scheduled its meetings, due account would be taken of the concerns of African countries.

88. Mr. KIRDAR (Secretary of the Council) said that the secretariat would endeavour to reschedule the resumed session during the week of 16 September.

89. Mr. AMAZIANE (Observer for Morocco) said that his delegation believed that, in accordance with paragraph 4 of the Council decision contained in DP/1991/L.8/Add.16, the Administrator should report to the Council at its special session in 1992.

90. Ms. EHRENREICH (Denmark) said that the Governing Council should allocate time for the Standing Committee to consider country programmes at the special session and, possibly, at the thirty-ninth session as well.

91. Mrs. DUDIK-GAYOSO (United States of America) said that, in addition to its consideration of country programmes at the special session, the Standing Committee would have before it a number of other items. If the Governing Council did not decide to extend the special session, the Council and the Standing Committee would have to hold concurrent meetings. Further, it was advisable to make tentative arrangements as soon as possible for meetings of the Standing Committee to be held some time between February and May.

92. If the current documentation on Special Programme Resources was all the information that would be available, it would be very hard for her delegation to approve many of those funds at the resumed session in September 1991.

93. Mr. GOMEZ (Associate Administrator) said that, at its resumed session, the Governing Council would be in a position to report on the Council's workload with respect to country programmes for the first half of 1992. The Council would endeavour to reschedule that session for the week of 16 September.

94. Mr. AMAZIANE (Observer for Morocco) raised a question about the meeting of the international committee at which the Administrator would present the programme of the Gulf Task Force.

95. Mr. KIRDAR (Secretary of the Council) said that the meeting to which Morocco was referring would be convened by the Administrator as a sort of pledging conference, but it would not be entered on the list of the Council's meetings.

96. The PRESIDENT said that, if he heard no objection, he would take it that the Council approved the dates proposed for its meetings in 1991 and 1992, taking account of the comments, reservations and requests made by delegations.

97. It was so decided.

98. The PRESIDENT recalled that several proposals had been made by various delegations concerning the subject for the high-level segment. Following consultations, the Bureau suggested the following topic: "Annual report of the Administrator, taking into account the priority areas identified therein". If he heard no objection, he would take it that that topic was acceptable to the Council.

99. It was so decided.

SUSPENSION OF THE SESSION

100. Mr. DRAPER (Administrator) said that future issues of the Human Development Report would respond constructively to concerns expressed by delegations. It was fitting that there should be one Governing Council for the United Nations Population Fund and UNDP. In the final analysis, development must be measured in per capita terms.

101. UNDP welcomed the recognition by donors that sovereignty, which they prized so highly, was just as precious to those countries which had only recently won it. Conditionality had no place in UNDP, whose programme must respond to the priorities of the Governments it served. UNDP's new efforts in Europe would not be at the expense of the rest of the developing world.

102. UNDP would provide the Council with the action plan it had requested on the senior management structure.

103. After an exchange of courtesies, the PRESIDENT declared the session suspended.

The meeting rose at 6.30 p.m.